Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the matter of	)	
	)	
Implementation of the Local	)	CC Docket No. 96-98
Competition Provisions in the	)	
Telecommunications Act of 1996	)	

REPLY COMMENTS

GTE SERVICE CORPORATION
on behalf of its affiliated domestic telephone operating and wireless companies

R. Michael Senkowski
Robert J. Butler
Karen A. Kincaid
David J. Goldstone
WILEY, REIN & FIELDING
1776 K Street, N.W.
Washington, D.C. 20006
(202) 429-7000

David J. Gudino
GTE SERVICE CORPORATION
1850 M Street, N.W.
Suite 1200
Washington, D.C. 20036
(202) 463-5212

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EXECUTIVE SUMMARY

The opening comments in this docket reveal a fundamental dichotomy in the perspectives presented. On the one hand, the major IXCs and some CLECs have accepted the NPRM's invitation to propose detailed national rules. Predictably, they have seized that opportunity to advocate that onerous and restrictive requirements be placed on ILECs without regard to legitimate technical and operational concerns. They also ignore constitutional takings limitations and the Act's clear mandate for a new, deregulatory paradigm predicated on private negotiations, state review, and light-handed FCC oversight.

On the other hand, GTE and many others urged the Commission to identify acceptable outcomes within reasonable guidelines that will both facilitate the negotiation of interconnection agreements as well as ensure a minimal level of uniformity and consistency for interconnection results. The record in this second phase of Docket No. 96-98 strongly supports this latter approach.

Disclosure of Network Changes. The Commission should resist suggestions that it expand ILEC network disclosure obligations beyond those that are now generally applicable for CPE and enhanced service purposes. No justification has been offered for enlarging the scope of the information to be disclosed to include changes in operational support systems ("OSSs") or other information not related to the interconnection and interoperability of competitors' networks. There are similarly no grounds for advancing the

times for disclosure without regard to the proprietary and other interests of CLECs or to require formal filing of disclosure statements with draconian penalties attached.

Dialing Parity. The FCC's definition of dialing parity received virtually unanimous support, as did its preference for presubscription for toll dialing parity. The record underscores GTE's showing that Full 2-PIC presubscription is a uniformly acceptable outcome and, indeed, that it is impossible as a technical matter to mandate greater numbers of PICs at this time. The comments also establish that a nationwide date certain for presubscription implementation is not necessary, that customer notice and balloting should not be mandated, and that questions concerning these issues as well as cost recovery should be left to the states with a guarantee of full cost recovery within a reasonable period, such as three years.

Operator and Directory Assistance Services. The statutory requirements for non-discriminatory access to telephone numbers, directory assistance, and operator assistance services clearly do not include either a duty to resell or a duty to provide direct access to the underlying databases. The 1996 Act requires only that competitors be able to accesss those services. The Commission's existing rules and the operation of the competitive marketplace for directory and operator assistance offerings will ensure that these capabilities remain available on a non-discriminatory basis to all providers.

Access to Rights-Of-Way. There is no basis in the record for requiring owners of poles, conduits, and rights-of-way to treat themselves the same as other attaching parties. Rather, non-discriminatory access means only that all third parties should be treated the same. Owners should be allowed to reserve reasonable amounts of capacity and to deny access where reasonable for capacity or safety reasons. Further, ILECs cannot be forced to permit attachments to structures over which they do not exercise the requisite control. Additional federal rules dealing with pricing, notice of, and cost allocations for modifications as well as enforcement of attachment rights are neither required by the 1996 Act nor needed.

Numbering Administration. There is a broad consensus that the FCC should move immediately to implement its *NANP Order* and require that a neutral numbering administrator be named. Existing policies regarding state administration of NPA splits and overlays need not be toughened and should not be revised to give a competitive advantage to CLECs.

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REPLY COMMENTS OF GTE

GTE Service Corporation ("GTE"), by its attorneys and on behalf of its affiliated domestic telephone operating and wireless companies, respectfully submits its reply to comments filed in response to the issues involving public notice of technical changes, dialing parity, access to rights of way, and number administration raised by the Notice of Proposed Rulemaking[1] in the above-captioned proceeding. GTE's proposed rules addressing these issues are appended as Attachment 1 to GTE's reply comments filed May 30, 1996 in this docket.

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[1] *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, FCC 96-182 (rel. April 19, 1996) ("*NPRM*"). Initial round comments on the issues involving public notice of technical changes, dialing parity, access to rights of way, and number administration are cited as: Comments of *Party* at *X*.

I. THE COMMENTS REVEAL SUBSTANTIAL SUPPORT FOR RELIANCE ON THE COMMISSION'S EXISTING RULES AND POLICIES FOR NOTICE AND DISCLOSURE OBLIGATIONS REGARDING TECHNICAL CHANGES (¶¶ 189-194)

In its opening comments, GTE encouraged the Commission to follow the approach it adopted in the *Computer Inquiry* proceedings to govern notice and disclosure of changes in network information.[2] GTE also advocated reliance on the timing triggers in those existing rules for disclosure, as suggested by the Commission.[3] Finally, GTE concurred in the FCC's tentative conclusion that industry forums and industry publications provide an appropriate means for public notice of technical changes.[4] The record strongly supports GTE's showings.

A. Disclosure Requirements (¶ 189)

The value of continued adherence to the principles for the scope of disclosure established in the *Computer Inquiries* -- which require disclosure of only "network changes or new basic services that affect the interconnection of" other services with the network[5] -- was noted by a variety of

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[2] Comments of GTE at 6-7.

[3] Comments of GTE at 4-5.

[4] Comments of GTE at 7.

[5] *See generally Amendment to Sections 64.702 of the Commission's Rules and Regulations (Computer III), Phase II*, 2 FCC Rcd. 3072, 3087 (continued...)

commenters.[6] Others supported analogous policies that similarly require the disclosure of necessary information only.[7] These principles (1) afford

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[5](...continued)
(1987) (clarifying "that the network information subject to disclosure does not include all network innovations made by carriers or all the technical characteristics of basic transmission service, but only network changes or new basic services that affect the interconnection of enhanced services with the network"); *Amendment to Section 64.702 of the Commission's Rules and Regulations (Computer III), Phase I*, 104 FCC 2d 958, 1083 (1986) (following the rule adopted in the *AT&T Structural Relief Order* that requires disclosure of network information at the time AT&T makes a decision to manufacture or procure any product "the design of which *affects or relies* on the network interface" (emphasis in original)) (citations and subsequent history omitted); *Furnishing of Customer Premises Equipment and Enhanced Services by AT&T*, 102 FCC 2d 655, 684 (1985) (determining "the best means to ensure that *necessary* network information will be transmitted in a timely fashion to the CPE vendors and manufacturers who *require* it." (emphasis added)).

[6] *See, e.g.*, Comments of BellSouth at 3; Comments of Teleport at 11; Comments of Pacific Telesis Group at 4-5; Comments of US West at 12 ("U S WEST submits that the Commission's (and U S WEST's) experience with network disclosure under the Computer Rules has proven satisfactory and should provide the basis for disclosure rules under the statute.").

[7] *See, e.g.*, Comments of Ameritech at 27; Comments of NYNEX at 15; Comments of Northern Telecom at 4; Comments of the Public Utilities Commission of Ohio Staff at 5 ("ILECs should only be required to provide public notice of information pertinent to those changes in its network design or technical standards that will affect its existing interconnection arrangements in any manner."); Comments of the Rural Telephone Coalition at 2-5; Comments of USTA at 12.

Another established disclosure requirement standard attempts fairly to balance the interests of all parties. *Recommended Notification Procedures to Industry for Changes in Access Network Architecture*, ICCF 92-0726-004 Revision 2 (Jan. 5, 1996) (attached to USTA's comments). This standard applies "to any access network reconfiguration which affects Access Customer routing or rating of calls." *Id.* at 5. It was endorsed by SBC and provided by USTA as an example of how industry fora resolve such matters. Comments of SBC Communications, Inc. at 14; Comments of USTA at 12.

sufficient protection to the proprietary rights and the security concerns of the network providers, (2) provide certainty and consistency as to what information must be disclosed, and (3) limit potentially onerous disclosure requirements.

The Commission has reexamined the *Computer Inquiry* policies and has consistently found them satisfactory.[8] No party has identified any significant reason that would justify deviating from them in the present context, particularly in light of the evident costs that flow from unnecessary overdisclosure. Nonetheless, AT&T and MCI offer an overly expansive and untested standard without providing any legitimate justification for imposing significant costs on the incumbent carriers.[9] Clearly, their requests for information regarding future changes to ILEC ordering, billing and other secondary systems go for beyond the "notice of . . changes that would affect

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[8] *See Amendment to Section 64.702 of the Commission's Rules and Regulations (Computer III), Phase II*, 2 FCC Rcd 3072, 3087 (1987) (declining to modify *Computer Inquiry* disclosure rules); *Amendment to Section 64.702 of the Commission's Rules and Regulations (Computer III), Phase I*, 104 FCC 2d 958, 1083 (1986) (applying rule adopted in *AT&T Structural Relief Order* for disclosure of network information) (subsequent history omitted); *Furnishing of Customer Premises Equipment and Enhanced Services by AT&T*, 102 FCC 2d 655, 684 (1985) (concluding "that our existing disclosure rules, with some important modifications, represent the best means" for disclosure of necessary network information).

[9] Comments of MCI, at 16; Comments of AT&T, at 23.

the interoperability of [the LECs] facilities and networks" that the 1996 Act requires.[10]

Neither AT&T nor MCI has demonstrated that information regarding ordering, billing and other secondary systems used by the ILEC in the provision of local exchange services is relevant to interoperability of two networks. Instead, their demand for notification is associated with their faulty claim that the 1996 Act requires ILECs to provide "electronic bonding" to ILEC OSSs used by the ILEC in the provision of local exchange services.[11] However, such OSSs do not have to be offered to new entrants as unbundled elements, because they do not fall within the definition of "network element," as they are neither "a facility or equipment used in the provision of a telecommunications service," nor "features, functions, and capabilities that are provided by means of such facility or equipment . . . or used in the transmission, routing, or other provision of a telecommunications service."[12]

Even absent a legal requirement, GTE and new entrants may find it is mutually beneficial to electronically "bond" their OSSs. GTE provides third

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[10] 47 U.S.C. § 251(c)(5).

[11] Comments of AT&T, CC Docket No. 96-98, at 36-38 (filed May 16, 1996); Comments of MCI, CC Docket No. 96-98, at 18, 34 (filed May 16, 1996).

[12] 47 U.S.C. § 153(45).

parties with electronic access to some OSSs through a gateway today,[13] where standards exist, and it is willing to do the same for any CLEC on non-discriminatory and compensatory terms. GTE also is willing to provide access to additional OSSs on either a tariffed or contractual basis, once standard interfaces have been developed and any security concerns have been adequately addressed through gateways or other equally effective means.[14] When such bonding is used, GTE will engage in the timely and reciprocal exchange of information relevant to the continued function of such arrangements. However, absent a requirement within the 1996 Act to provide such arrangements, it is clear that by requesting the Commission to require disclosure of information irrelevant to any network interoperability

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[13] For example, GTE is a participant in an industry effort to develop specifications and implement "electronic bonding" between access customers and ILECs. To date, GTE is providing electronic bonding for Trouble Administration to AT&T and MCI, and it is developing similar access for Sprint. GTE has agreed to pursue electronic bonding for primary interexchange carrier orders for AT&T and MCI. Further, the industry is currently building specifications for electronic bonding for the ordering of access services. Moreover, GTE has discussed various electronic methods for placing orders for resold local exchange services with AT&T, but has yet to reach an agreement. The industry standards process therefore works, and FCC intervention is neither necessary nor advisable.

[14] In its May 16 comments in this docket, AT&T properly acknowledged that electronic interfaces should involve gateways rather than direct access by a CLEC into an ILEC's system, and that national standards should be developed by industry standards bodies. Comments of AT&T, CC Docket No. 96-98, at 36 n.45, 37-38 (filed May 16, 1996). Teleport also recognized the need for industry-developed national standards to facilitate electronic access. Comments of Teleport, CC Docket No. 96-98, at 29 (filed May 16, 1996).

need, AT&T and MCI are transparently trying to game the system to keep the RBOCs out of the long distance market.

B. The Timetable for Notice and Disclosure (¶ 192)

GTE continues to support the FCC's endorsement of its *Computer Inquiry* rules as a reasonable schedule for the timing of disclosure of network information. Numerous other commenters agreed with GTE on this issue.[15] Of those dissenting from this position, most suggested the requirements were excessive,[16] and only a few argued for more extended time frames.[17]

Both the record herein and the industry's past experience reveal that the *Computer Inquiry* requirements are more than sufficient. In its most recent review of those rules, the Commission noted that it "reaffirm[ed] its belief that [the use of the "make/buy" decision as a] trigger point . . .

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[15] Comments of AT&T at 24-25; Comments of MCI at 20 (advocating additional provision from *Computer Inquiry* procedures that ILECs disclose relevant information they discover after services have been introduced if such information would have been subject to prior disclosure); Comments of Pacific Telesis Group at 5; Comments of Teleport at 11; Comments of US West at 13. While endorsing the *Computer Inquiry* rules generally, US West did question the need for a six month requirement between public disclosure and introduction of a new service. *Id.*

[16] *E.g.*, Comments of Ameritech at 30; Comments of Bell Atlantic at 11-12; Comments of BellSouth at 5; Comments of NYNEX at 10 & n.32; Comments of PUC of Ohio at 6; Comments of Rural Telephone Coalition at 4; Comments of USTA at 13;

[17] *E.g.*, Comments of Cox Communications at 10; Comments of MFS Communications at 14-16; Comments of Time Warner at 6-8.

represents the best balance between the[] concerns" of ensuring both the delivery of timely information to parties that use the networks and the promotion of carriers' development efforts to support network innovation.[18] Earlier, the agency declined invitations to depart from the "make/buy" decision in favor of a disclosure point at "the time when the LEC makes the decision to implement a change,"[19] because decisions that demonstrate commitment to a change already constitute a "make/buy" decision.[20]

Suggestions that additional *public* disclosure is required beyond that prescribed by the *Computer Inquiry* framework are equally baseless.[21] Not only do MFS and Time Warner provide no explanation why early "public" disclosure is so pressing that it overrides significant proprietary and security rights, but their arguments are wholly unsupported by any reading of the Act, which requires only "reasonable public *notice*."[22] In sum, no good reasons

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[18] *Amendment to Sections 64.702 of the Commission's Rules and Regulations (Computer III), Phase II*, 2 FCC Rcd. 3072, 3087 (1987).

[19] *Cf.* Comments of Cox Communications at 10.

[20] *Amendment to Section 64.702 of the Commission's Rules and Regulations (Computer III), Phase I*, 104 FCC 2d 958, 1082-83 (1986) (applying the "make/buy" decision point as a trigger and rejecting the claim that for these purposes there is any significant distinction between a decision to manufacture or produce a product and to develop a new network service); *Furnishing of Customer Premises Equipment and Enhanced Services by AT&T*, 102 FCC 2d 655, 685-88 (1985).

[21] Comments of MFS at 14-16.

[22] 47 U.S.C. § 251(c)(5) (emphasis added). *Cf.* Comments of MFS at 14-16; Comments of Time Warner at 7.

have been presented for disrupting the existing careful balance or tilting the rules to advantage new entrants. Rather, the attempts by AT&T and others to game the disclosure system in their favor vividly illustrate why such rules must be applied evenhandedly to all interconnectors.

C. Means for Public Notice (¶ 191)

There is broad agreement among the commenters, in accord with GTE's position, that industry forums and publications are appropriate and effective distribution tools for public notice. Many commenters emphasize that there is no need to burden the FCC with additional filings by creating a byzantine tariffing system for notice of technical changes.[23] Notwithstanding the claims of certain parties,[24] there is no evidence in the record that industry forums and publications are ineffective in disseminating information, or that ILECs are incapable or deterred from utilizing those forums in carrying out their statutory duties. Moreover, the filing of such technical changes with the Commission would not be consistent with Congress' intent in enacting § 251(c)(5) because, as Bell Atlantic points out, the language of § 251(c)(5) is largely identical to that of §§ 273(c)(1) and

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[23] Comments of Ameritech at 30-31; Comments of Bell Atlantic at 10-12; Comments of BellSouth at 4; Comments of NYNEX at 17; Comments of Pacific Telesis Group at 7.

[24] Comments of AT&T at 24; Comments of MCI at 17-19; Comments of MFS at 13; Comments of Time Warner at 10

(c)(4), which govern BOC disclosures, except that § 251(c)(5) omits any requirement for filing with the FCC.[25] For similar reasons, additional enforcement mechanisms are also unnecessary.[26]

II. THE RECORD REFLECTS WIDESPREAD AGREEMENT WITH THE PROPOSED SCOPE OF THE DIALING PARITY REQUIREMENT AND THE PROMULGATION OF FEDERAL DIALING PARITY GUIDELINES THAT ARE PRAGMATIC, SIMPLE, FLEXIBLE, AND COST EFFECTIVE (¶¶ 206-213).

In its opening comments, GTE endorsed the Commission's reading of Section 251(b)(3) of the 1996 Act as requiring all LECs to permit telephone exchange service customers within a defined local calling area to dial the same number of digits to make a local call, regardless of the identity of a customer's or the called party's local service provider.[27] GTE also agreed with the Commission's view that Section 251(b)(3) requires LECs to provide dialing parity for all telecommunications services requiring dialing to route a call.[28] There is a broad consensus among the commenters in support of this interpretation and in favor of a regulatory regime under which federal guidelines are used to establish boundaries for identifying the minimum and

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[25] Comments of Bell Atlantic at 12.

[26] *Cf.* Comments of MFS at 16.

[27] Comments of GTE at 7-8.

[28] *Id.*

maximum requirements of the Act, while specific issues within those boundaries are left to state regulatory commissions.[29]

A. Presubscription Methodology (¶¶ 207-210)

Most commenters concur in the Commission's tentative conclusion that presubscription is the most effective means for achieving toll dialing parity and believe that implementation issues are best left with the states. With respect to the Commission's request for comment concerning the most desirable form of presubscription, the comments reflect strong support for the proposition that greater than "Full 2-PIC" presubscription is not technically feasible[30] and that the cost of implementing multi-PIC presubscription capability cannot be justified.[31] Significantly, a number of commenters,

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[29] *See, e.g.*, Comments of Ameritech at 8; Comments of BellSouth at 9; Comments of Bell Atlantic at 1-2; Comments of NYNEX at (i); Comments of Pacific Telesis Group at 9; Comments of US West at 6.

[30] *See, e.g.*, Comments of Pacific Telesis Group at 11 (noting that multi-PIC and smart-PIC technologies are not currently available for network deployment); Comments of US West at 5 (US West's embedded switches are capable of supporting only the 2-PIC presubscription methodology -- to US West's knowledge, its switch vendors have not developed 3-PIC switching capability). Although the Telecommunications Resellers Association appears to acknowledge that multi-PIC presubscription is not technically feasible at present, it urges the Commission to mandate a multi-PIC presubscription technology as soon as it is technically feasible. Comments of Telecommunications Resellers Association at 3-4. GTE submits that this suggestion should be rejected because it is premature and exceeds the requirements of the federal statute.

[31] *See* Comments of USTA at 3-4. USTA notes that implementation of

(continued...)

including both AT&T and MCI, agree that implementation of the Full 2-PIC presubscription method satisfies the requirements of the statute.[32]

Moreover, the record reveals that states are not only in the best position to evaluate these matters, but also that many are currently engaged in that process.[33] As GTE explained, the Commission can best facilitate these developments by establishing guidelines that provide certainty regarding adequate presubscription measures and at the same time retaining jurisdiction to address unreasonable state policies so as to minimize technical variations among states. Accordingly, GTE urges the Commission to identify Full 2-PIC presubscription methodology as an acceptable outcome under Section

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[31](...continued)
multi-PIC capability is likely to be expensive and take longer than simply opening the intraLATA market to the same carriers that currently offer interLATA service. USTA states that, because "the duty to provide dialing parity extends to all LECs, any additional cost burdens imposed on local exchange providers could detract from the rapid development of local competition," and urges the Commission to "leave consideration of the costs and benefits to state commissions, and simply affirm the minimum requirements of the 1996 Act." Id. at 3-4 n.2. *See also* Comments of US West at 6.

[32] *See* Comments of AT&T at 5; Comments of MCI at 4-5; Comments of the Michigan Public Service Commission at 4; Comments of the Pennsylvania Public Utilities Commission at 2; Comments of the Public Utilities Commission of Ohio at 7; Comments of USTA at 3.

[33] As GTE noted in its initial round comments, of the twenty-eight states where GTE provides services, ten have issued an order, one state has completed its activities but has not yet released an order, and seven other states have an active proceeding. The FCC has asked the states directly for such information and NARUC has provided it.

251(b)(3) and to require any state seeking to mandate a greater number of PICs to carry a heavy burden of justifying such an action.

B. Presubscription Schedules (¶ 212)

The commenters generally agree that a uniform nationwide implementation schedule for dialing parity obligations is unnecessary for two reasons. First, most states are voluntarily moving toward implementing dialing parity methodologies. Second, Section 271(e) of the 1996 Act requires the BOCs to provide intraLATA toll dialing parity either coincident with the provision of interLATA service or three years after enactment of the 1996 Act, whichever is earlier.[34]

Some commenters, however, argue for earlier implementation deadlines. For example, AT&T contends that all Tier 1 LECs should be required to implement dialing parity, using the Full 2-PIC method, by January 1, 1997.[35] Similarly, MCI urges the Commission to require LECs to provide intraLATA presubscription within six months of the date of the order in this proceeding which, at the latest, would be by February of 1997.[36]

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[34] *See, e.g.*, Comments of BellSouth at 12; Comments of Pacific Telesis Group at 12; Comments of US West at 6-7;

[35] Comments of AT&T at 5.

[36] Comments of MCI at 6.

As discussed in detail in GTE's opening comments, the company's wireline telephone operating units have already taken steps to implement Full 2-PIC presubscription throughout their serving areas. In addition, the majority of states in which GTE operates have either completed proceedings addressing intraLATA equal access requirements or have active, ongoing proceedings confronting these issues. As a result, GTE's wireline telephone operating companies are moving to implement 1+/0+ intraLATA presubscription using a Full 2-PIC methodology on a conversion schedule running from September of 1996 through March of 1997, subject to the requisite state approvals.

Any attempt to impose a different, nationally uniform timeline on these plans, as well as on the plans of numerous other LECs and states, runs the risk of seriously disrupting the investment and construction plans of the carriers, as well as the regulatory and public education commitments of the states. It is clearly beyond the Commission's resources to make an informed decision concerning a suitable time frame for intraLATA presubscription -- particularly an expedited schedule such as that sought by AT&T and MCI -- while taking into account the unique circumstances facing fifty state jurisdictions and more than 1,000 LECs. Fortunately, it is also unnecessary given the states' and the industry's ongoing implementation efforts.

C. Customer Notification/Balloting (¶ 213)

The record reflects nearly unanimous support for the view that the 1996 Act does not require LECs to notify consumers about carrier selection procedures, nor does it obligate LECs to notify customers of competitors' offerings or to participate in balloting.[37] As demonstrated in GTE's comments, the states and individual carriers are in the best position to ascertain the measures that are necessary for purposes of providing public notice and education.[38] GTE has formally notified carriers of conversion schedules when they are approved and will similarly inform its local exchange customers prior to implementation of a presubscription option in a converting office. GTE's performance highlights the fact that there is simply no need for a federal notification requirement.[39]

Consistent with this approach, the record contains particularly strong opposition to a balloting requirement. Commenters addressing the issue generally agree that the marketplace will ensure that each provider makes a diligent effort to notify consumers of who they are, what they are offering,

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[37] *See, e.g.*, Comments of Ameritech at 20; Comments of AT&T at 6; Comments of Pacific Telesis Group at 13; Comments of SBC Communications Inc. at 4; Comments of the United States General Services Administration at 6; Comments of US West at 7.

[38] *See* Comments of GTE at 12; *see also* Comments of Bell Atlantic at 5; Comments of Pacific Telesis Group at 13;

[39] *See also* Comments of Ameritech at 22.

and how their services can be obtained.[40] In such an environment, a balloting obligation is unnecessary and would unfairly burden incumbent carriers in contravention of the goals of the 1996 Act.[41]

D. Cost Recovery (¶ 219)

GTE and numerous other commenters agree that LECs should be allowed full recovery for the costs of implementing dialing parity, with specific calculation methods left to state review.[42] To the extent that other commenters supporting the recovery of "incremental" costs are recommending less than full recovery, their suggestions should be rejected,[43] as should the Telecommunications Resellers Association's proposal that, because of the "enormous advantage from which the LECs

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[40] *See, e.g.*, Comments of AT&T at 6-7; Comments of Citizens Utilities Company at 6; Comments of SBC Communications Inc. at 4; Comments of US West at 7-8. *See also* Comments of the Public Utilities Commission of Ohio at 7.

[41] The argument advanced by the Telecommunications Resellers Association, which proposes that balloting is the optimal means for allowing customers to choose among competitive telecommunications providers, reflects their self-interested desire to exploit incumbent carriers by requiring them to bear the cost of notifying customers of the PIC-selection process, to undertake all consumer education activities, and to conduct equal access balloting. *See* Comments of the Telecommunications Resellers Association at 5.

[42] *See, e.g.*, Comments of Pacific Telesis Group at 16; Comments of SBC Communications Inc. at 8-9.

[43] *See, e.g.*, Comments of AT&T at 7; Comments of MCI at 6.

have benefitted for years in the intraLATA toll market, it may well be appropriate to require the LECs to shoulder the full financial burden of remedying this competitive imbalance."[44] Clearly, preventing incumbent carriers from recovering their costs fully would be unfair and patently discriminatory, and would constitute an unconstitutional taking.[45]

In addition, it is essential that LECs be permitted to recover their implementation costs on a timely basis. Accordingly, GTE strongly opposes AT&T's suggestion that dialing parity costs be amortized over a period of up to eight years.[46] The costs will be incurred in a short time, and their recovery should be allowed in a comparable period such as three years. To GTE's knowledge, none of the states in which it operates has required that recovery be delayed as long as the eight years AT&T suggests.

III. THE RECORD SUPPORTS THE COMMISSION'S PROPOSED DEFINITIONS OF NONDISCRIMINATORY ACCESS TO TELEPHONE NUMBERS, DIRECTORY ASSISTANCE, AND OPERATOR ASSISTANCE SERVICES (¶¶ 214-219)

Virtually all of the commenters addressing the issue agree with the Commission's tentative conclusion that "nondiscriminatory access" as used in Section 251(b)(3) of the Act means that LECs must provide competing

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[44] Comments of the Telecommunications Resellers Association at 8.

[45] *Cf.* Reply Comments of GTE, CC Docket No 96-98, at 31-35 (filed May 30, 1996).

[46] *See* Comments of AT&T at 7.

telecommunications service providers the same access to telephone numbers, directory assistance, and operator assistance services that the LEC receives with respect to these services.[47] In addition, most commenters support the position that the Commission need not adopt any additional rules to implement the directives of the 1996 Act.[48] As discussed in GTE's opening comments, detailed industry guidelines and the Commission's existing policies already ensure that numbers are distributed to all carriers in a nondiscriminatory fashion, and the competitive marketplace for operator services, directory assistance and directory listings guarantees nondiscriminatory access.[49]

First, it is important to understand that the 1996 Act does not require operator services to be unbundled, even by the BOCs.[50] All facilities-based carriers, rather than just incumbents, are ultimately responsible for ensuring nondiscriminatory access (dial "0" or "0+") in a facilities-based arrangement.

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[47] *See, e.g.*, Comments of Pacific Telesis Group at 13-16; Comments of SBC Communications Inc. at 6.

[48] *See, e.g.*, Comments of Pacific Telesis Group at 14; Comments of US West at 8-9.

[49] *See* Comments of GTE at 14-18.

[50] *See, e.g.*, Comments of GTE at 16; Comments of SBC Communications Inc. at 6. *Cf.* 47 U.S.C. § 271(c)(2)(B)(vii).

Second, contrary to the Commission's suggestion as well as that of MCI, Section 251(b)(3) does not create a duty to resell operator services.[51] As discussed in GTE's opening comments, the definition of "operator services" contained in Section 251(b)(3) makes plain that the statute only requires any LEC that is also an operator services provider to permit equivalent dialing methods to reach such service.[52] MCI has not articulated any legitimate policy justification for requiring resale of operator services, much less shown that a statutory basis for such a requirement exists.

Finally, it is clear from the record that access to a LEC's directory assistance database should not be mandated. Various commenters point out that access to the database is unworkable because of the serious technical and security concerns raised, and is not required by the 1996 Act.[53] GTE agrees, and urges the Commission to clarify any ambiguity and acknowledge that access to directory assistance service and directory listings does not include access by competitors to the LEC's database itself.

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[51] Comments of MCI at 8.

[52] *See* Comments of GTE at 16; *see also* Comments of NYNEX at 7.

[53] *See* Comments of Pacific Telesis Group at 16.